

## **804 KAR 1:110. Consumer sampling events.**

RELATES TO: KRS 243.0307, 243.036, 243.260, 244.240, 244.590

STATUTORY AUTHORITY: KRS 241.060

NECESSITY, FUNCTION, AND CONFORMITY: KRS 241.060(1) authorizes the board to promulgate administrative regulations regarding matters over which the board has jurisdiction. KRS 244.240 and 244.590 prohibit manufacturers, distributors, and wholesalers from making any gift or rendering any kind of service to any retail licensee that may tend to influence the retailer to purchase the manufacturers', distributors', or wholesalers' product to the exclusion of a competitor's product. This administrative regulation permits manufacturers, distributors, and wholesalers to participate in certain events where samples are provided to consumers without violating KRS 244.240 and KRS 244.590.

Section 1. Charity and Non-Profit Events. (1) Manufacturers, distributors, and wholesalers may participate in charity or non-profit events at which alcoholic beverages are served, under the following conditions:

(a) The event is held on licensed premises;

(b) The charity or non-profit organization obtains the alcoholic beverages to be served at the event by:

1. Purchase under a special temporary drink license or special temporary alcoholic beverage auction license;

2. Purchase from a retail licensee where the event is held; or

3. Donations under a special temporary alcoholic beverage auction license; and

(c) The participation of manufacturers, distributors, and wholesalers is limited to addressing the attendees, distributing literature, and pouring and serving alcoholic beverage products of the manufacturer, distributor, and wholesaler.

(2) Manufacturers, distributors, and wholesalers participating in charity and non-profit events shall be jointly and severally liable with licensed charities, non-profits, or retailers for violations of the alcoholic beverage control laws occurring during the event.

Section 2. Sampling License Events. (1) Manufacturers or wholesalers of distilled spirits or wine may participate in retailer sampling licensed events under the following conditions:

(a) The events occur at retail licensed premises where sampling licenses authorized by KRS 243.0307 are held;

(b) Manufacturers and wholesalers may provide their distilled spirits or wine products for sampling license events without cost to retailers holding sampling licenses in an amount not to exceed the wholesale cost of \$500 per retail licensee per annum;

(c) Retail licensees holding sampling licenses shall purchase all distilled spirits or wine for events from licensed wholesalers if not provided under the conditions established in subsection (1)(b) of this section; and

(d) The participation of manufacturers and wholesalers in sampling license events is limited to addressing the customers, distributing literature, and pouring and serving samples of their distilled spirits or wine products.

(2) Participating manufacturers or wholesalers and retail licensees holding sampling licenses shall be jointly and severally liable for violations of alcoholic beverage control law occurring during sampling license events. (10 Ky.R. 97; eff. 8-7-1984; TAm eff. 8-9-2007; TAm eff. 4-30-2013; 40 Ky.R. 1448; 2130; eff. 4-4-2013; 45 Ky.R. 1822, 2351; eff. 3-8-2019.)